

Arizona Department of Gaming

Janet Napolitano
Governor

Web site: www.azgaming.gov

Paul A. Bullis
Director

Who We Are

The Arizona Department of Gaming (ADG) is the State's regulator of Indian casinos. ADG is funded entirely by the gaming industry. No taxpayer funds, i.e. State General Fund revenue, are used by ADG.

Gaming in Arizona is governed by the Tribal-State Gaming Compacts between the State and 21 Tribes. Currently, 15 Tribes have 22 Class III casinos. Another 6 Tribes don't have casinos but have slot machine rights they lease to other Tribes with casinos. Current compacts went into effect in 2003. One of Arizona's Tribes does not have a gaming compact.

Compacts are the agreements between the tribes and State that lay out the terms under which tribes may conduct gaming in Arizona. There have been two sets of compacts. The first compacts were in effect from 1993 to 2003.

Compacts Include:

- Tribal contributions to State of up to 8% of gaming revenues
- Tribal contributions to fund the following:
 - ADG regulatory and administrative costs
 - Problem gambling prevention, treatment, and education
 - School district instructional improvement
 - Trauma and emergency services
 - Wildlife conservation
 - Tourism
 - Local governments for services including public safety
- A maximum of 29 tribal casinos. There are currently 22 casinos. No additional casinos are allowed in the Phoenix metropolitan area and one additional casino is allowed in the Tucson area
- 15,250 slot machines maximum. Currently, there are approximately 12,800 slot machines
- 998 maximum slot machines per casino
- 100 maximum combined blackjack and poker tables per casino
- Bet limits for poker and blackjack
- Regulation of blackjack and poker by ADG for the first time
- No tribal Internet gaming as long as non-tribal entities in the State are prohibited
- Tribes may transfer their slot machines to other tribes to allow remote tribes to benefit from gaming without having to operate casinos
- Coordinated law enforcement plan, requiring AZPOST-certified officers
- An on-line electronic monitoring system to the urban casinos to allow ADG to monitor slot machines on a real-time basis and determine revenues

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What We Do

Certify Gaming Employees

The Department conducted background investigations on 2,000 new applicants and over 7,000 renewal applications in 2006

Certify Gaming Vendors

Currently, there are 550 active vendors

The department conducted 245 detailed vendor background investigations in 2006

Both new vendors and current vendors must complete a detailed recertification process every two years

Inspect Slot Machines

Currently, there are approximately 12,800 machines

Machine Compliance inspects over 1,000 slot machines each month.

Inspections are made to ensure that machines meet technical standards, including minimum payout percentages set forth in the compact

Approximately 8 to 12 random spot checks are made at casinos each month

ADG technicians arrive unannounced at a casino and test 50 randomly selected machines to ensure they meet compact requirements

Tribal Gaming Investigations

Monitor and enforce compact compliance at the Indian gaming facilities by completing on-site inspections of the facilities and the gaming operations

Assure public safety by regular inspections of the gaming facilities to ensure use of appropriate security and surveillance procedures

Investigate suspected compact and gaming violations and any alleged criminal activities

Assist machine compliance unit with inspections and testing of gaming devices

Serve as liaison between state law enforcement and tribal casino law enforcement

Intelligence

Gather and disseminate information concerning threats to gaming operations and facilities

Maintain and disseminate a state-wide self-exclusion list. There are approximately 1,500 individuals who have put themselves on this list and agree to not enter a casino for 1, 5, or 10 years.

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Audit Unit

Audit each tribal casino annually to ensure full compliance with the compact, including access to all casino financial documents

Audit casino internal controls relevant to tribal contributions

Audit all casino tribal contribution reports on a monthly basis

Information Technology

Maintain all computer and technology functions

Maintain an electronic licensing and regulatory system that encompasses all of the Department's regulatory processes

Develop, implement, and administer Joint Monitoring System with the tribes

Records

Maintain records on 21,000 certification applications

Share records information with other gaming agencies and law enforcement

Administrative Services

Budget and plan for Department

Manage the Department's facilities, purchasing, travel, fleet, etc.

Perform all accounting functions

Human Resources

Office of Problem Gambling

OPG mission is to provide and support effective problem gambling prevention, treatment and education programs throughout Arizona by:

Funding treatment for problem gamblers and those affected by another's gambling problem

Providing a 24/7 helpline for those in crisis or needing a referral to a counselor:
1.800.NEXT STEP

Educating the public that compulsive gambling is a disorder and that help is available

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Fast Facts:

ADG has 107 full-time employees, including:

- 35 AZPOST-certified officers
- 18 auditors with various specialties, which include C.P.A.s, C.F.E.s and forensic accountants

The 2007 fiscal year budget for the department is approximately \$11.7 million. This includes \$1.8 million appropriated for problem gambling.